

REI FOCUS GROUP – ERRATA (10-19-07)

The following errors and omissions have been identified in the 10-16-07 version of the REI report. These problems will be corrected in the final version of the report.

Error (Page 42 of the REI report):

Dr. Artie Powell's presentation is not reproduced in the report as stated. Instead it will be referenced as available on the REI Focus Group website:

http://www.deq.utah.gov/Issues/REIFG/docs/Least_Cost_REI_Presentation_082107.pdf.

Error (Page 42 of the REI report):

Public Service Commission staff noted that the last bullet on Page 42 incorrectly makes reference to an IRP statute. The IRP process is spelled out in Docket No. 90-2035-01 Attachment A "Standards and Guidelines for Integrated Resource Planning for PacifiCorp, Utah Jurisdiction." A copy of Attachment A will be included as an appendix in the final version of the REI report. The REI report text will be corrected to read:

"Under the current Utah Statute and IRP guidelines, regulators and utilities are charged with considering "other factors" when determining the least-cost/least-risk, and therefore statutes do not have to be changed to affect change in the IRP process."

Error (Page 17 of the REI report):

SunEdison was incorrectly identified as supporting the opinion "More Aggressive (i.e. greater than 20% by 2020)." SunEdison supports a 20% target by 2020, not a "greater than 20% by 2020." The outcome table has been amended as follows:

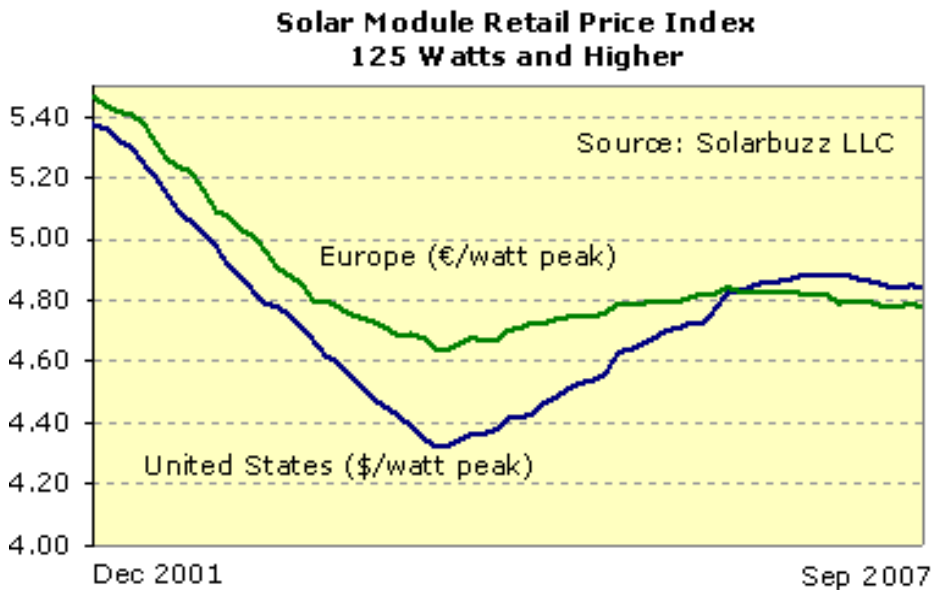
Opinion	Supporters
More Aggressive (i.e. greater than 20% by 2020)	UCE, SC, SLC, WW, WRA, Interwest, Utah Moms, SunEdison , enXco, WCAC, SE, WWW, SLCo
Less Aggressive (i.e. lower target or voluntary approach)	RMP, UAMPS, UMPA, UREA, UAE
Resource type based on % carve-outs	UCE, SC, SLC, WW, WRA, Interwest, Utah Moms, SunEdison, , enXco, WCAC, SE, SLCo
Resource type based on cost-effectiveness	RMP, UAE, UREA, UAMPS, UMPA, CCS

Target should be set after some studies and other design features	DPU, UAE, RMP, UAMPS, UMPA, UREA
Standard based on carbon avoidance/reduction (renewables, energy efficiency, DSM, etc)	RMP, ASP, UREA, UAMPS, UMPA, UAE

Omitted Comments from SunEdison from September 21, 2007 (for inclusion in Public Comments document):

Preliminary Comments of SunEdison LLC

1. Two previous sets of comments from SunEdison incorporated by reference
2. Comments on “Ernie’s Report Draft” in body of this draft document
3. Comments on PV cost slides from 9/20 presentation: SLIDE 14




COMMENT: First Solar has announced PV module prices at \$2/W or better, and are already in commercial production.

SLIDE 15:

- UT SEP (price / kWh for 20 yr payback)
 - Small PV, no financing, fed credits = 23.5 cents
 - Small PV, 7% interest, fed credits = 43.7 cents
 - Large PV, no financing, fed credits = 18.0 cents
 - Large PV, 7% interest, fed credits = 35.0 cents

COMMENT: In the real world, SunEdison signed a contract in 2006 to deliver energy from an 8.2 MW PV facility to Xcel Energy for 22.4¢/kWh, complete with financing, but no state tax credit or other state based incentives.

**Omitted comments from enXco Development Corporation from October 16, 2007
(for inclusion in Public Comments document):**



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October 17, 2007

Utah Renewable Energy Focus Group
Blue Ribbon Advisory Council on Climate Change

Re: Final Comments concerning REI Focus Group report

UTAH DEPARTMENT OF
ENVIRONMENTAL QUALITY
OCT 16 2007
DIVISION OF AIR QUALITY

enXco Development Corporation has appreciated the opportunity to participate in the Utah Renewable Energy Focus Group process for the series of meetings held during the last several months. We believe the process has been very healthy, with numerous stakeholders represented, excellent presentations concerning material topics and vigorous discussion. The report is certainly meritorious and well worth the careful consideration of the BRAC, the Governor's office and the legislature.

enXco has been involved in the wind industry for twenty years and has its origins in operations and maintenance. Accordingly enXco has had a substantial involvement in the maturing of the renewable energy industry. enXco is the largest operator of third party-owned wind projects in this country, has developed a number of wind projects both for utilities and for its own account, and has broadened its horizons to include solar, biomass and other renewable technologies throughout the United States, as its parent companies pursue around the globe.

enXco is supportive of implementation of a renewable portfolio standard for Utah and strongly believes a well structured RPS can be a powerful policy tool to help achieve resource diversity, improve air quality and produce tremendous economic development benefits for the State. In general, enXco supported the "strawman" proposal structure as emulating in many respects the Oregon RPS structure, which is well reasoned, carefully crafted, with performance checks and safety valves, and has already begun to produce strong economic development prospects for Oregon. Utah would do well to achieve comparable results.

In addition to the RPS, it is imperative to emphasize the other two initiative efforts identified by the Focus Group. That is, Utah needs a strong package of incentives for development of renewable resources and implementation of sustained improvements to the transmission system within the state to facilitate addition of renewable resources to the electric system. Notwithstanding that many members of the Focus Group were not well informed about the numerous study efforts other states, Federal agencies such as NREL and third party organizations have undertaken regarding economic development benefits of a strong incentive program for renewable technologies, the compelling conclusion in both the relevant literature and the practical experience of a number of states is that as an economic development proposition renewable technologies have already proven to have a very strong benefit to cost ratio. Similar input-output modeling studies have already been performed for several Utah Counties by Utah State University



for the wind industry, which support this general theme. enXco recommends that such study efforts be broadened to take in additional Counties and additional technologies, especially solar and geothermal, and that a strong incentive package be assembled as a high priority economic development initiative. It is clear that renewable technologies have very strong job creation, economic growth, rural benefits and water conservation characteristics.

Again, our appreciation for an excellent process and we look forward to further involvement in the economic development of Utah, for the benefit of the State and its people.

Sincerely,

A handwritten signature in dark ink, appearing to read "Gregory L. Probst".

Gregory L. Probst
Project Developer